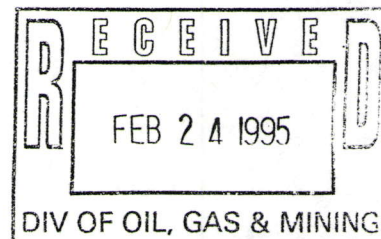


Assigned DOGM File No.: S / 003 / 034
DOGM Lead: LMK

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340
Fax: (801) 359-3940



NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: Lucin Viriscite Mine
 2. Name of Operator/Applicant: David L. Penny
Company () Corporation () Partnership () Individual ()
 3. Permanent Address: Box 312
City: Beaver State: UT Zip Code: 84713
Telephone Number: (801) 438 5522
 4. Ownership of Land Surface:
Private (Fee) ☒ Public Domain (BLM) ☒ National Forest (USFS) ☐
State Trust Land/School Sections ☐ State Sovereign Lands ☐
Other (please describe): BLM - G&M
 5. Ownership of Minerals:
Private (Fee) ☒ Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections ☐ State Sovereign Lands ☐
Other (please describe): _____
- Utah Mining Claim Number(s): NONE

Utah State Lease Number(s): None

Name of Lessee(s) _____

6. Have the above surface and mineral owners been notified in writing?

Yes ✓ No _____

If no, why not? _____

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

7. Does the operator have legal right to enter and conduct mining operations on the land covered by this notice? Yes
- ✓
- No _____

II. PROJECT LOCATION & MAP (Rule R647-3-105)

1. Project Location (legal description):

County(ies): Box Elder

____ 1/4, of ____ 1/4, of E 1/2 1/4: Section: 21 Township: 8N Range: 18W
 ____ 1/4, of ____ 1/4, of ____ 1/4: Section: ____ Township: ____ Range: ____
 ____ 1/4, of ____ 1/4, of ____ 1/4: Section: ____ Township: ____ Range: ____

2. A topographic base map showing the location of the proposed small mining operation must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the operator also plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.

III. OPERATION PLAN (Rule R647-3-106)

1. Type of mining: Surface
- ☒
- Underground
- ☐

2. Mineral(s) to be mined:
- Variscite

3. Provide a brief description of the proposed mining operation and onsite processing facilities.
- to cont in the old

limit

☐ New Road(s): Length None (ft) Width _____ (ft)

☐ Improved Road(s): Length _____ (ft) Width _____ (ft)

Total project surface acreage to be disturbed: same 4 (acres)

Proposed startup date of project (month, year) Can

Proposed completion date of project, if known (month, year) Can

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing.
13. Reseed disturbed areas with adaptable species. (The Division recommends seeding 20 lbs./acre of native and introduced species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or if broadcast seeded, harrow or rake the seed 1/4-1/2 inch into the soil - fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)Yes ☐ No ☐

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above, should be identified below and justification given for the variance request(s).

<u>Item Number</u>	<u>Variance Request Justification</u>
<u>10</u>	<u>Existing Quarry - no topsoil to salvage</u>
<u>12, 13, 14</u>	<u>Rock surface - no soil to respread</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

VI. SIGNATURE REQUIREMENT

I hereby commit to conduct mining operations and to reclaim the aforementioned small mine as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining. *to the Best of my Knowledge off those Rules*

Signature of Operator/Applicant:



*As per
phone call on
3/21/95*

File 5/003/034

U-72455
SALT LAKE DISTRICT
CATEGORICAL EXCLUSION/PLAN CONFORMANCE

I. PROJECT DESCRIPTION (purpose, location) The applicant needs the approval from the BLM to use the surface estate for purposes related to mining a Gem Stone called Veriscite owned by Santa Fe Pacific Railroad. The applicant will use the public lands for access, storage of mineral materials, and for loading and shipping the materials. The applicant has a lease from Santa Fe Pacific Railroad for mining the material.

The proposed action is to issue a 3 year permit to Mr. David Penney, pursuant to Section 302 of the Federal Land Policy and Management Act of 1976, (43 USC 1732). The lands involved are described as follows:

T. 8 N., R. 18 W., SLM, Utah
Section 21, ~~NE~~~~NE~~ (pit location)

T. 8 N. R. 18 W., SLM, Utah
Section 22, ~~SW~~~~NW~~, ~~W~~~~SW~~, ~~SE~~~~SW~~, ~~SW~~~~SE~~ (access)

Containing 6.44 acres

The proposed action is in conformance with the Box Elder Resource Management Plan, dated October, 1985.

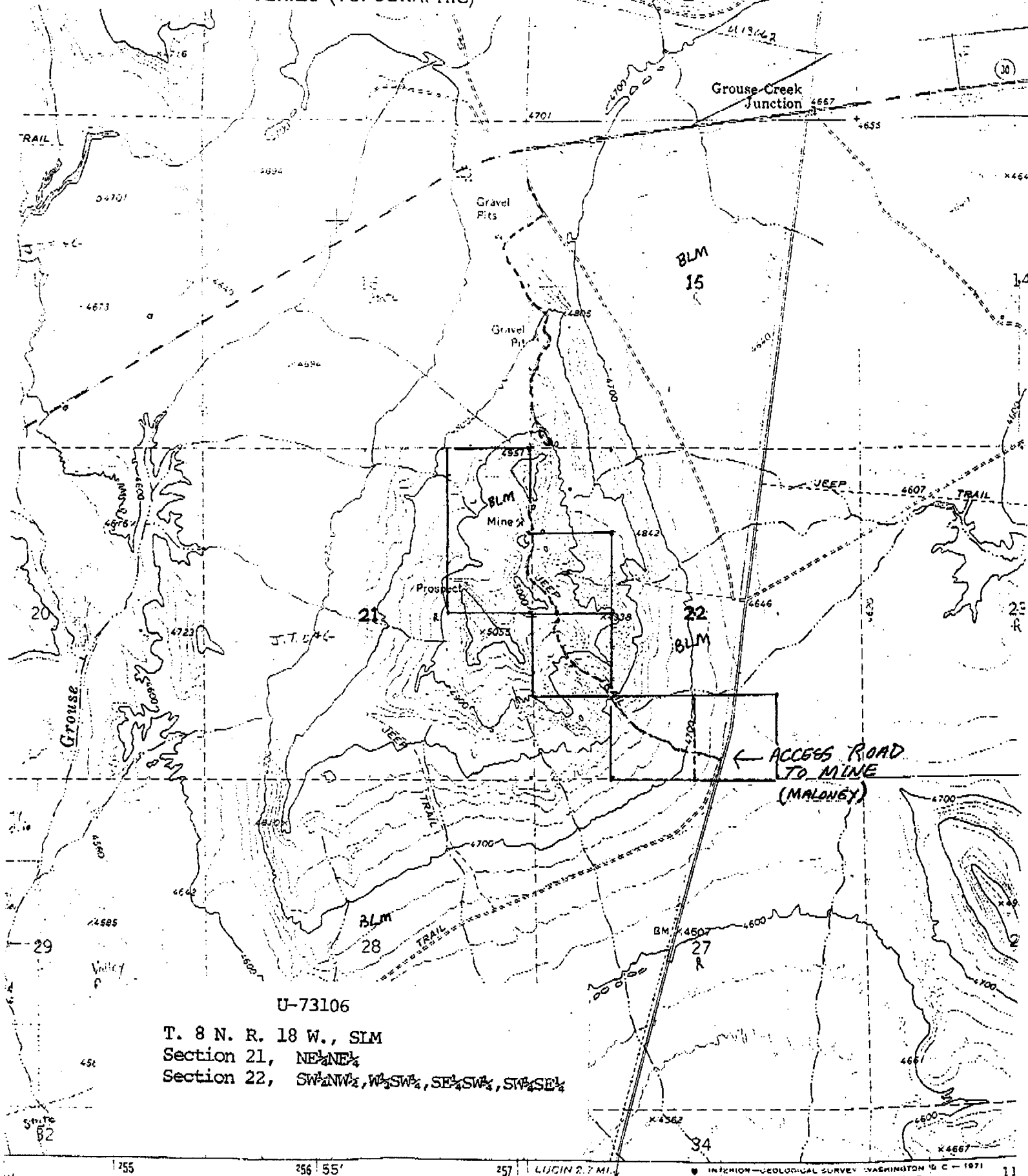
Due to concerns of the applicant, a copy of the lease has not been filed with the BLM, therefore, the BLM does not have written assurance that the lessor is requiring reclamation of the surface upon termination of the lease. The BLM permit will require the permittee to coordinate with the BLM about seed mix, and other rehabilitation measures which will be evaluated by the appropriate resource personnel upon termination of the permit.

There is existing access to the site. The portion of gravel road crossing BLM lands is approximately 6280 feet long and 10 feet wide, totaling 1.44 acres. The access road is in good condition and no improvements appear to be necessary.

The lands involved have been previously mined for variscite for an undetermined amount of years.

The fair market rental amount will be determined by the State Office Appraisal Staff.

LUCIN NW QUADRANGLE
UTAH-BOX ELDER CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)



U-73106

T. 8 N. R. 18 W., 31M
Section 21, NE $\frac{1}{4}$ NE $\frac{1}{4}$
Section 22, SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$